Restructuring the Public Sector Commercial Banks

1941. MISS SAROJ KHAPARDE: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to restructure the public sector commercial banks; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) A High Level Committee was constituted under the chairmanship of Shri M. Narasimham to examine all aspects relating to structure, organisation, functions and procedures of the financial system. The Committee submitted its report on 20th November, 1991. On the structure of the banking system, the Committee, inter-alia, recommended that the banking system should evolve towards a broad pattern consisting of:—

(a) 3 or 4 large banks (including the State Bank of India) which could become international in character.

(b) 8 to 10 national banks with a network of branches throughout the country engaged in 'universal' banking;

(c) local banks whose operations would be generally confined to a specific region, and

(d) rural banks (including RRBs) whose operations would be confined to the rural areas and whose business would be predominantly financing of agriculture and allied activities.

The Committee was also of the view that the move towards this revised system should be market driven and based on profitability considerations and brought about through a process of mergers and acquisitions.

Overdue Bank Amounts from Tobacco Companies

1942. DR. YELAMANCHILI SIVAJI: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 109 given in the Rajya Sabha on the 27th July, 1993 and state:

(a) what is the number of overdue accounts in the UCO bank and Indian Overseas Bank;

(b) since when these are overdue;

(c) what are those companies;

(d) what is the total amount of over due in each account;

(e) whether there are quality-wise and quantity-wise adequacy of the stocks;

(f) how old is the latest stock verification; and

(g) what is the percentage of margin money provided by the parties and what is the percentage value of securities offered?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Indian Overseas Bank (IOB) have reported that three accounts were overdue since 1993. Information from UCO Bank is being collected and would be laid on the Table of the House.

(c) to (g) In accordance with the practices and usages customary among banks and in conformity with the provisions of Statutes governing the Public Sector Banks, information relating to individual constituents of the banks can not be divulged.

स्टेट बैंक आफ इंदौर की नवलखा स्थित शाखा द्वारा दिए गए ऋण

1943. श्री राम नरेश यादव : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) पिछले तीन वर्षों के दौरान स्टेट बैंक आफ इंदौर की नवलखा शाखा इंदौर के शाखा प्रबंधक ने कैलाश सहारा औद्योगिक संस्थानों और अन्य कम्पनियों

को कितने करोड़ रूपए का ऋण दिया है ;

(ख) उसका वर्ष-वार ब्यौरा क्या है ;

(ग) क्या इन ऋणों के देने में कोई अनियमितताएं हुई हैं ; यदि हां, तो उनका ब्यौरा क्या है; और

(घ) क्या यह सच है कि प्रधान कार्यालय को मंजूरी मिलने के पहले ही ऋण दे दिए गए थे यदि हां, तो दोषी व्यक्तियों के खिलाफ क्या कार्यवाही की गयी है ?

वित्त मंत्रालय में राज्य मंत्री और संसदीय कार्य मंत्रालय में राज्य मंत्री (डा० अबरार अहमद) : (क) से (घ) बैंकों में प्रचलित प्रथाओं और रीतिरिवाजों तथा सरकारी क्षेत्र के बैंकों को नियंत्रित करने वाली संविधियों के अनुसार बैंकों के विभिन्न ग्राहकों के संबंध में सूचना प्रकट नहीं की जा सकती।

Termination of services of Bank executives

1944. SHRI JAGIR SINGH DARD: Will the Minister of FINANCE be pleased to state:

(a) the names of Managing Directors/ Executive Directors etc. whose services have been terminated by Government during the last 6 months; and

(b) the specific reasons in each case for sacking the Officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) During the last six months Government have terminated the tenure of the following whole-time Directors:—

Sr. No.	Name and Designation	Reasons for termination
1.	Sh. V. Mahadevan, Managing Director, State Bank of India.	For purchase of shares out of promoters'/ employees' quota in contravention of the guidelines of the Government of India.
2.	Sh. R. S. Pai, Executive Director, Syndicate Bank.	For purchase of shares out of promoters' quota in contravention of the guidelines of Government of India and also for involvement of Syndicate Bank in irregularities in securities transactions.
3.	Sh. M. Gopalakrishnaiah, Executive Director, Bank of Maharashtra.	For involvement of Andhra Bank in irregularities in securities transactions.

Malpractices in State Bank of Indore

1945. SHRI RAM NARESH YADAV:
SHRI S. VIDUTHALAI VIRUMBI:
SHRI PASUMPON THA. KIRUTTINAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the 'Write up' that appeared in Indore Samachar (Hindi) published from Indore in its issues of 16th June, 1993 to 8th July, 1993, interalia, highlighting various types of malpractices, corruption and frauds that have taken place in State Bank of Indore;

(b) if so, what is the number of cases during the last three years where State Bank of Indore has sanctioned loans exceeding one crore of rupees without obtaining guarantee therefor;

(c) whether there is also an allegation regarding serious irregularities in the preparation of the annual accounts of the Bank for the year 1992-93;